

### **Required Supplementary Information**

This section consists of the following additional information required by Accounting Principles Generally Accepted in the United States of America:

- Analysis of Funding Progress for Law Enforcement Officers' Special Separation Allowance
- Schedule of Employer Required Contributions for Law Enforcement Officers' Special Separation Allowance

**CITY OF ASHEVILLE**  
**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF FUNDING PROGRESS**  
**June 30, 2007**

<u>Calendar Year</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Projected Unit Credit</u>	<u>Percentage Funded</u>	<u>Unfunded AAL (UAAL)</u>	<u>Annual Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
1997	-	\$ 1,101,752	-	\$ 1,101,752	\$ 5,142,723	21.42 %
1998	-	1,222,712	-	1,222,712	5,587,191	21.88
1999	-	1,340,442	-	1,340,442	5,769,142	23.23
2000	-	2,116,076	-	2,116,076	5,832,782	36.28
2001	-	2,240,213	-	2,240,213	6,009,758	37.28
2002	-	2,475,940	-	2,475,940	6,014,682	41.16
2003	-	2,739,109	-	3,150,445	6,482,367	42.25
2004	-	3,150,445	-	3,150,445	6,977,643	45.15
2005	-	3,213,921	-	3,213,921	7,097,123	45.28
2006	-	3,500,082	-	3,500,082	8,097,773	43.22

**CITY OF ASHEVILLE**  
**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF EMPLOYER REQUIRED CONTRIBUTIONS**  
**June 30, 2007**

<u>FISCAL YEAR ENDED</u> <u>JUNE 30</u>	<u>ANNUAL</u> <u>REQUIRED</u> <u>CONTRIBUTION</u>	<u>ACTUAL</u> <u>AMOUNT</u> <u>CONTRIBUTED</u>	<u>PERCENTAGE</u> <u>CONTRIBUTED</u>
1999	\$ 157,698	\$ 59,371	37.65 %
2000	178,158	48,299	27.11
2001	193,365	65,706	33.98
2002	228,773	104,530	45.69
2003	243,061	136,589	56.20
2004	259,805	155,762	59.95
2005	291,233	202,534	69.54
2006	330,544	249,148	75.38
2007	324,789	253,747	78.13
Estimated 2008	351,948		

Notes to the above schedule:

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the dates actuarial valuation follows.

Valuation Date	12/31/2006
Actuarial cost method	Projected unit credit
Amortization method	Level dollar closed
Remaining amortization period	24 Years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	7.25%
Projected salary increases	4.5% to 12.3%
Includes inflation at	3.75%
Cost of living adjustments	None

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